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**FOR IMMEDIATE RELEASE**  
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**FORMER VA CONSERVATOR PLEADS GUILTY IN  
EMBEZZLEMENT CASE**

Douglas J. Carver, Special Agent in Charge, U.S. Department of Veterans Affairs (VA), Office of Inspector General, Western Field Office, Los Angeles, CA, announced today that Los Angeles resident Anne Chavis pled guilty to Perjury and Forgery in an embezzlement case involving military veterans who were too disabled to handle their own financial affairs.

Carver stated the plea agreement was reached after an investigation conducted by his Los Angeles office. The investigation revealed that Chavis, in her former capacity as a conservator for military veterans, filed false accountings, forged documents, and lied to the Los Angeles County Superior Court in order to steal from veterans who were suffering from psychosis, seizures, and other medical disorders. The investigation revealed Chavis unlawfully conspired with a former attorney, C. Brian Smith, to file false documents with the court purporting to account for funds spent on behalf of the veterans. The accountings were false because they concealed from the courts checks Chavis wrote to herself and to Smith. The accountings were further false because they deceived the courts by disguising the disbursements as expenses paid on behalf of the veterans. Chavis also forged bank documents to cover up the scheme.

The Los Angeles Superior Civil Court previously surcharged Chavis \$1,032,370.08 after being notified by VA OIG investigators that money was missing from veterans' accounts and accountings had not been filed.

Her criminal plea agreement calls for up to two years in state prison or one year in county jail, depending on the recommendation of the California Department of Corrections, which will imprison her for a three-month diagnostic period beginning July 9, 2007. The plea agreement also requires Chavis to reimburse all victims named in the VA OIG 15-count felony complaint up to an additional \$100,000.00.

Smith, the former attorney, previously pled guilty to conspiracy, perjury, and grand theft. He was sentenced to three years, four months in state prison and ordered to pay \$750,187 in restitution.

The case was prosecuted by Deputy District Attorney Christian Gullon of the Los Angeles County Justice System Integrity Division.